

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEE-REN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Yates Petroleum Corporation 105 S. 4 th Street Artesia, NM 88210		² GRID Number 025575
³ Property Code 32580	⁴ Property Name Humidor State Unit	⁵ API Number 30-015-32889
⁹ Proposed Pool 1 Black River Atoka East		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	23	24S	27E		990	North	990	East	Eddy

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Additional Well Information

¹¹ Work Type Code A	¹² Well Type Code M	¹³ Cable/Rotary N/A	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3182'GR
¹⁶ Multiple Y	¹⁷ Proposed Depth N/A	¹⁸ Formation Morrow	¹⁹ Contractor N/A	²⁰ Spud Date ASAP
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> ____mils thick Clay <input type="checkbox"/> Pit Volume: ____bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
		IN PLACE			

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Yates Petroleum Corporation plans to recomplete this well as follows: Set composite BP or CIBP at 12,316'. Perforate Atoka 12,132'-12,140' (49). Stimulate as needed. Set RBP at 12,530' and perforate Atoka 12,010'-12,018' (49) and 12,024'-12,032' (49). Stimulate as needed. Set a composite BP or CIBP at 11,980'. Perforate Atoka 11,660'-11,686' (27), 11,782'-11,808' (27), 11,824'-11,838' (15) and 11,862'-11,876' (15). Stimulate as needed. Set a composite BP or CIBP at 11,630'. Perforate Atoka 11,400'-11,410' (61). Stimulate as needed. Plan to commingle the Morrow and Atoka. (DHC-3290)

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Signature: James Hunter

Printed name: Tina Huerta

Title: Regulatory Compliance Supervisor

E-mail Address:

Date: July 9, 2004

Phone: 505-748-1471

OIL CONSERVATION DIVISION

Approved by:

Title:

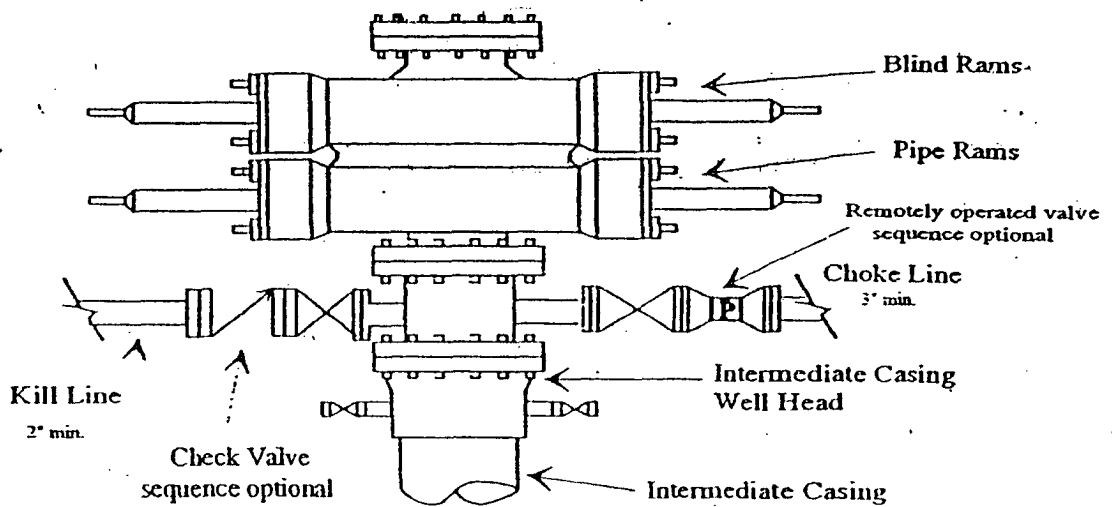
Approval Date: _____

Expiration Date:

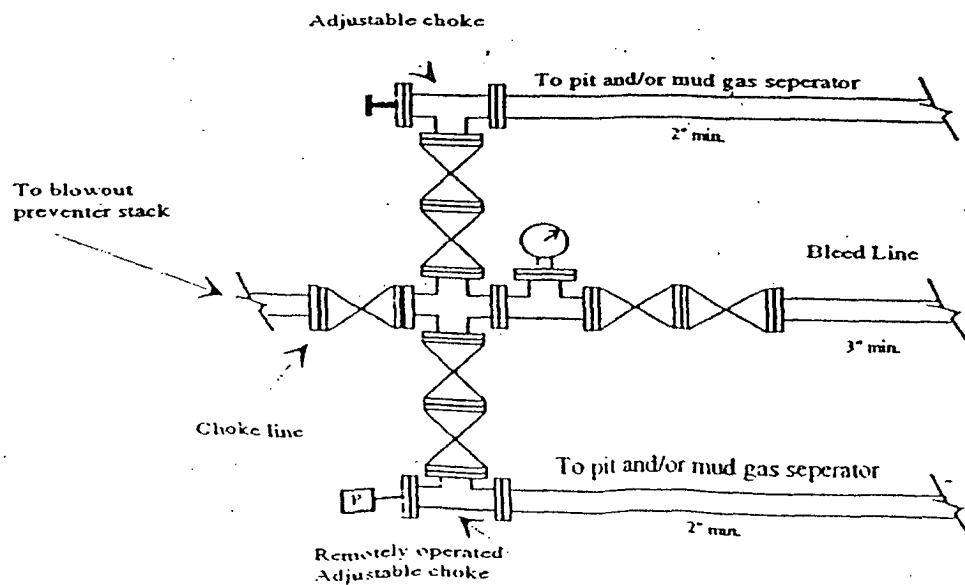
Conditions of Approval Attached ☐

Yates Petroleum Corporation

Typical 3,000 psi Pressure System Schematic



Typical 3,000 psi choke manifold assembly with at least these minimum features



MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

July 9, 2004

Mr. Bryan Arrant
Oil Conservation Division, District II Office
1301 W. Grand Ave.
Artesia, NM 88210

Re: Humidor State Unit #1
Section 23-T24S-R27E
Eddy County, New Mexico
H2S Contingency Plan



Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S anticipated from the surface to the Atoka Formation to even meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

Thank you,

YATES PETROLEUM CORPORATION

Tina Huerta
Regulatory Compliance Supervisor

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-32889	² Pool Code 72150	³ Pool Name Black River Atoka East
⁴ Property Code 32580	⁵ Property Name Humidor State Unit	
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	
		⁶ Well Number 1
		⁹ Elevation 3182'GR

¹⁰ Surface Location

UL or lot no. A	Section 23	Township 24S	Range 27E	Lot Idn	Feet from the 990	North/South line North	Feet from the 990	East/West line East	County Eddy
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code		¹⁵ Order No.					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div data-bbox="214 1449 561 1785"> </div>	<div data-bbox="842 1008 1057 1197"> </div>		<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Tina Huerta</i> Signature</p> <p>Tina Huerta Printed Name</p> <p>Regulatory Compliance Supervisor</p> <p>Title and E-mail Address</p> <p>July 9, 2004</p> <p>Date</p>
			<p>¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p>
			<p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>
			<p>Certificate Number</p>



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

ADMINISTRATIVE ORDER DHC-3290

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

Attention: James M. Hill

*Humidor State Unit Well No. 1
API No. 30-015-32889
Unit A, Section 23, Township 24 South, Range 27 East, NMPM,
Eddy County, New Mexico
Undesignated East Black River-Atoka (Gas 72150) and
South Black River-Morrow (Gas) Pools*

Dear Mr. Hill:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division 303C.(1)(f), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Percentages to be utilized for assignment of allowables and for production between commingled pools shall be supplied in writing to the Division office in Santa Fe within 30 days following completion of this workover.

REMARKS: The operator shall notify the Artesia District Office of the Division upon implementation of commingling operations.

Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Administrative Order DHC-3290
Yates Petroleum Corporation
June 29, 2004
Page 2 of 2

Approved at Santa Fe, New Mexico on this 29th day of June 2004.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



MARK E. FESMIRE, P.E.
Director

cc: Oil Conservation Division – Artesia
State Land Office – Minerals Management